



# WASHOE COUNTY

"Dedicated To Excellence in Public Service"

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Finance DN  
DA ✓  
Risk Mgt. N/A  
HR N/A  
Clerk JW

## STAFF REPORT

BOARD MEETING DATE: April 28, 2015

**DATE:** April 7, 2015  
**TO:** Board of County Commissioners  
**FROM:** Dave Solaro, Arch., P.E., Director  
Community Services Department, 328-2040, [dsolaro@washoecounty.us](mailto:dsolaro@washoecounty.us)  
**THROUGH:** Kevin Schiller, Assistant County Manager  
**SUBJECT:** Adopt a Resolution and Decision of Intent to Amend Sublease Agreement declaring Washoe County's intent to amend a sublease for a portion of the Sierra View Library space, located at 4001 South Virginia Street, to amend the monthly rent to zero dollars per square foot as authorized within NRS 244.2835; and other matters properly related thereto; and if approved, direct the County Clerk to provide public notice of the Resolution and Decision of Intent to Amend Sublease Agreement to be scheduled for May 12, 2015 to allow for public comment. (Commission District 2).

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### SUMMARY

The Friends of Washoe County Library (Friends), an active Nevada non-profit corporation, has been a long-term community support group that provides fundraising opportunities, volunteer support, donations, and guidance to the library system. A Sublease Agreement has been in place since July 2012, which has resulted in the ability of the Friends to co-locate within the Library to allow for efficiencies and to support this valuable relationship.

This item recommends adoption of a Resolution that will place the matter on the May 12, 2015 County Commission agenda for consideration of any public comment related to the proposed Amendment to Sublease a portion of the Sierra View Library space between the property owner, Washoe County, and The Friends of Washoe County Library as authorized within NRS 244.2835.

The Friends of Washoe County Library requested an amendment to the Sublease Agreement that will allow for the continued support of the Washoe County Library System by the Friends.

Washoe County Strategic Objective supported by this item: Sustainability of our financial, social and natural resources.

AGENDA ITEM # 11

### **PREVIOUS ACTION**

On July 12, 2012, the Board of County Commissioners (Board) approved a Sublease Agreement between Rotor Investments, L.P., Washoe County, and The Friends of Washoe County Library for a portion of the Sierra View Library space located at 4001 South Virginia Street for a 48 month term commencing retroactively to July 1, 2012.

On August 13, 2013, August 14, 2012, July 26, 2011, and August 11, 2009, the Board accepted a donation in the amount of \$224,910 (with no County match required) from The Friends of Washoe County Library.

### **BACKGROUND**

The Friends of Washoe County Library have been and are a significant supporter of the Library System through both financial and human support. Since its formation in 1981, the Friends of Washoe County Library has provided well over \$2,000,000 in supplemental funding for cultural programming, library materials, technology, shelving and other furnishings. In the past several years, the Friends have donated \$400,000 toward these needs, all the more appreciated by patrons and staff in light of the Library Systems recent budget reductions. The warehouse area of 6,030 square feet of space that has been occupied by the Friends is not needed by the Library and this co-location has proven beneficial to both groups.

During the budget planning exercise for the next fiscal year, the Friends have requested through the attached letter to the Community Services Department consideration of waived rent for the sublease space. The current sub-lease sets the rent at \$.90 per square foot for the period of July 1, 2015 through June 30, 2016. This is the final year of the sub-lease agreement.

The Nevada Revised Statutes referenced above state the following regarding the lease (or sub-lease) of real property to certain nonprofit organizations:

**NRS 244.2835 Lease of real property to certain nonprofit organizations.**

1. The board of county commissioners of a county may lease real property to a nonprofit organization that:

- (a) Is recognized as exempt under section 501(c)(3) of the Internal Revenue Code;
- (b) Is affiliated by contract or other written agreement with the county; and
- (c) Provides to residents of the county or to other persons a service that the county would otherwise be required to expend money to provide, under such terms and for such consideration as the board determines reasonable based upon the costs and benefits to the county and the recommendation of any county officers who may be involved in approving the lease.

2. To lease real property pursuant to this section, the board of county commissioners must approve the lease and establish the recommended amount of rent to be received for the real property. The board shall render a decision on an application to lease real property pursuant to this section within 60 days after it receives the application.

3. In determining the amount of rent for the lease of real property pursuant to this section, consideration must be given to:

- (a) The amount the lessee is able to pay;
- (b) Whether the real property will be used by the lessee to perform a service of value to members of the general public;
- (c) Whether the service to be performed on the real property will be of assistance to any agency of the county; and
- (d) The expenses, if any, that the county is likely to incur to lease real property pursuant to this section in comparison to other potential uses of the real property.

4. The board of county commissioners may waive any fee for the consideration of an application submitted pursuant to this section.

(Added to NRS by 2007, 2827)

Staff has reviewed the request and the provisions stated above, reviewed the conversation that occurred at the concurrent meeting of the Library Board of Trustees and the Board of County Commissioners and believe that a recommendation of waived rent is beneficial to the Washoe County Library System.

The rent in the upcoming fiscal year for the entire space for Washoe County will be \$.25 per square foot (\$87,390.00) with a waived base payment of \$224,910 from the landlord, Rotor Investments of Nevada.

### **FISCAL IMPACT**

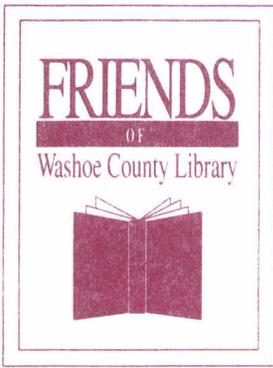
By allowing the Friends to utilize a portion of the Sierra View Library, Washoe County will be able to continue to support this important partnership in a financially beneficial way without having a direct fiscal impact to Washoe County.

### **RECOMMENDATION**

It is recommended the Board of County Commissioners adopt a Resolution and Decision of Intent to Amend Sublease Agreement declaring Washoe County's intent to amend a sublease for a portion of the Sierra View Library space, located at 4001 South Virginia Street, to amend the monthly rent to zero dollars per square foot as authorized within NRS 244.2835; and other matters properly related thereto; and if approved, direct the County Clerk to provide public notice of the Resolution and Decision of Intent to Amend Sublease Agreement to be scheduled for May 12, 2015 to allow for public comment.

### **POSSIBLE MOTION**

Should the Board agree with staff's recommendation, a possible motion would be:  
"Move to adopt a Resolution and Decision of Intent to Amend Sublease Agreement declaring Washoe County's intent to amend a sublease for a portion of the Sierra View Library space, located at 4001 South Virginia Street, to amend the monthly rent to zero dollars per square foot as authorized within NRS 244.2835; and other matters properly related thereto; and if approved, direct the County Clerk to provide public notice of the Resolution and Decision of Intent to Amend Sublease Agreement to be scheduled for May 12, 2015 to allow for public comment."



P.O. Box 7103  
Reno, NV 89510-7103  
(775) 324-5522

*"I cannot live  
Without books"*  
--Thomas Jefferson

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MAR 30 2015

OFFICE OF  
C.S.D. ENGINEERING & CAPITAL PROJECTS

March 25, 2015

Mr. David M. Solaro, Arch., P.E.  
Director, Washoe Co. Community Services  
1001 E. Ninth St., Bldg. A  
Reno, NV 89520

**Re: Request for Waiver of Rent for FWCL's subleased space at Sierra View Library**

Dear Mr. Solaro:

This letter is Friends of Washoe County Library's formal request to waive rent payable to Washoe County pursuant to Sublease Agreement dated July 10, 2012, by and between Roter Investments, L.P. and Washoe County and Friends of Washoe County Library, during the term of the sublease and any renewals.

This request is made as a result of the scheduled onset of rent as of July 1, 2015, with an additional increase scheduled for July 1, 2016. This subleased space has been rent-free since July 1, 2012. Under the terms of our sublease our annual rent will be \$65,124 commencing July 1, 2015 and \$86,232 commencing July 1, 2016.

Such rent payment would decrease our annual donation to the Library from \$140,000.00 to less than \$24,943, and force us to move out of Reno Town Mall.

Respectfully yours,

Daniel Erwine, President Friends of Washoe Co. Library Board of Dirs.

cc: Arnie Maurins, Dir. Washoe County Library System

**RESOLUTION  
AND DECISION OF INTENT TO AMEND SUBLEASE AGREEMENT**

A RESOLUTION DECLARING WASHOE COUNTY'S INTENT AND DECISION TO AMEND A SUBLEASE AGREEMENT FOR A PORTION OF THE SIERRA VIEW LIBRARY SPACE LOCATED AT 4001 SOUTH VIRGINIA STREET, TO THE FRIENDS OF WASHOE COUNTY LIBRARY AS AUTHORIZED WITHIN NRS 244.2835; AND OTHER MATTERS PROPERLY RELATED THERETO.

WHEREAS, Washoe County leases a portion of real property located at 4001 South Virginia Street, Washoe County, Nevada (the Sierra View Library) under that certain Master lease agreement dated June 15, 2011; and

WHEREAS, the Friends of Washoe County Library has requested and applied to lease a portion of the Sierra View Library, to enable it to better provide partner services to Washoe County residents and community; and

WHEREAS, Nevada Revised Statutes 244.2835 authorizes the Washoe County Board of Commissioners to lease to qualified non-profit corporations that are recognized as exempt under Section 501 (c) (3) of the Internal Revenue Code, when they provide to the residents of the County a service that the County would otherwise be required to expend money to provide; and

WHEREAS, the Board may lease under such terms and for such an amount of rent that the Board determines is reasonable based upon the costs and benefits to the County such as a consideration of the amount the lessee is able to pay, whether the real property will be used by the lessee to perform a service of value to members of the general public, whether the service to be performed on the real property will be of assistance to any agency of the County, and the expenses, if any, that the County is likely to incur to lease real property pursuant to this section in comparison to other potential uses of the real property; and

WHEREAS, it is recommended by the Director of Community Services that the lease rate for the proposed 6,030 square feet of space to be subleased be amended to zero dollars and zero cents (\$0.00) per square foot for the remainder of the term of the existing lease between the Lessor and Lessee; and

WHEREAS, Washoe County will schedule this proposed Resolution and Decision of Intent to Amend Sublease Agreement at its next scheduled meeting on May 12, 2015 to allow for any comments to this action and confirmation of decision as required within NRS 244.2835; and, now, therefore, be it

RESOLVED, That pursuant to NRS 244.2835, Washoe County has the authority to sublease said real property to The Friends of Washoe County Library without offering said real property to the public; and that the Washoe County Board of Commissioners must determine the rental amount for said real property under NRS 244.2835(2) and hereby determines that the rental amount for this space will be zero dollars and zero cents (\$0.00) per square foot as recommended by the Director of Community Services; and that the Washoe County Board of Commissioners will discuss this on the May 12, 2015 agenda to allow for any objections to this real property action; and that the County Clerk is directed to publish this notice as required in NRS 244; and that upon approval by the Washoe County Board of Commissioners at its regularly scheduled meeting and upon further satisfaction of all terms and conditions of the amended sublease agreement to be performed concurrently with the delivery, the Chairman shall be authorized to execute said the amended sublease agreement on behalf of Washoe County and to deliver it to Lessee.

ADOPTED this 28<sup>th</sup> day of April, 2015

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Marsha Berkbigler, Chair

ATTEST:

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Nancy Parent, County Clerk